



Insurance Institute of Michigan

Insurance Institute of Michigan Position
No-Fault Medical Marijuana
Senate Bill 321
As of September 26, 2011

The Insurance Institute of Michigan (IIM) strongly supports legislation, such as Senate Bill 321, that would clarify that the use of marihuana for medical purposes is not a required benefit under Michigan's no-fault auto insurance law.

In 2008, Michigan voters approved a ballot proposal legalizing the use of "medical marihuana" for those suffering from certain ailments or conditions. Under that ballot proposal, it is unclear whether coverage for the use of medical marihuana is mandated under the **unlimited, lifetime** medical coverage of a standard no-fault auto insurance policy.

Section 3(a), MCL 333.26423(a) of the Michigan Medical Marihuana Act provides a definition of "debilitating medical condition," triggering access to medical marihuana, which includes "severe and chronic pain" as well as other conditions that may be present after being injured in an auto accident.

However, Section 7(c)(1), MCL 333.26427(c)(1), of the Act provides a coverage exception, stating "Nothing in this Act shall be construed to require . . . a government medical assistance program or commercial or non-profit health insurer to reimburse a person for costs associated with the medical use of marihuana."

Many no-fault auto insurance companies in Michigan are beginning to receive claims for expenses related to the use of medical marihuana and are individually researching the applicable statutory requirements. The insurance industry is very sensitive to cost and rate pressures and supports legislative changes to clarify that the **unlimited, lifetime** medical benefits under Michigan's no-fault law do not include medical marihuana.

If insurance carriers must provide coverage for the use of medical marihuana it would increase costs to the system which are shared by all policyholders.

IIM would support similar legislation to address the same issue in the workers' compensation law.

For more information, contact Peter Kuhnmuensch or Dyck Van Koevering at 517/371-2880

334 Townsend • Lansing • Michigan • 48933
(517) 371-2880
www.iiminfo.org